



**Minutes of a meeting of the Governing Body held on Wednesday 17
December 2008 at 5.00pm in Room 1F106, York College**

Present: Beth Armer
Hilary Bainbridge
Alison Birkinshaw
Peter Burrows
Jim Clark
Kevin Deadman
Bruce Gilbert
David Jackson
Andrew Lindsay
David Marsh
David Maughan Brown
Andy Mendus
Danny Morgan
Carol Runciman
John Short, Chair
Terry Wolf
Bill Woolley

In

Attendance: Trevor Armer, Director of Finance
Richard Hinde, Clerk to the Governing Body
Louise Lawrence-Crockford, Assistant Principal: Employer
Engagement
Graeme Murdoch, Deputy Principal QA & Support
Bob Saynor, Assistant Principal: Lifelong Learning and HE
Anne Tyrrell, Deputy Principal Resources
Clare Wareing, Assistant Principal: 14-19 Vocational

The meeting started at 5.05pm.

Action

08.75 Apologies for Absence / Declarations of Interest

Apologies had been received from David Johnson and Glyn Jones.

Governors were requested to make declarations of interest as they arose. None were declared.

The Chair reported that Hilary Crook had now resigned as a Governor due to business commitments, and that he would write on behalf of the Governing Body thanking her for her service to the College as a Governor. The Chair then introduced Andrew Lindsay and Bill Woolley as prospective new Governors recommended by the Search & Governance Committee. Consideration was given to the recommendations.

Chair

The Governing Body resolved to appoint Andrew Lindsay and Bill Woolley as Governors of York College for a period of four years with immediate effect.

Clerk

08.76 Minutes of Previous Meeting – 15 October 2008

The minutes and confidential minutes were approved as an accurate record and signed by the Chair.

08.77 Matters Arising

a) Action Summary Sheet

The action summary sheet was noted.

b) Any Other Matters

As a matter arising discussion took place about the problems in gaining access to pupils in schools with sixth forms. It was noted that the Chair had spoken with and written to the Chair of Governors at one particular school and was awaiting a response as to how the situation could be improved.

08.78 Principal's Report

The Principal presented her report outlining key developments across the sector and for York College including updates on the DCSF/DIUS/Local Authority; the local 14-19 update; 2008 recruitment/financial forecast update; the 2007/08 final success rates performance; values; middle management recruitment; and other business of interest.

In relation to 16-19 provision, it was noted that an independent report was likely to be commissioned by York City Council to recommend the format of delivery in York. It was also noted that under Building Schools for the Future, Archbishop Holgate's was building a new sixth form centre and it looked as though the provision was being extended beyond the approved vocational subject areas. The Principal had written to the Director of Children's Services and the LSC about this. Discussion took place about the possible consequences of this – and the effect of other schools seeking to establish their own sixth forms. The role of the local authority was considered together with its funding responsibilities – it is expected that the opening of new sixth forms will become more difficult and will need to be approved by the local authority and included in the 14-19 Plan. The effect of competition from other providers outside York was also considered. Concern was expressed that an increase in the number of sixth forms in the area would actually lead to an overall decrease in choice of provision for 16 – 19 year olds within York, and an increase in the number of NEETS. (As the number of sixth forms increased, the students on some courses with low numbers would be spread between more sixth forms and would likely become unviable).

Reference was also made to the College's proposed Values on which Governors were consulted in May 2008. It was reported that

since then, an extensive consultation with all staff had been carried out via a restructured Academic Board. As a result a revised set of Values had been produced, whilst maintaining the essence of the original ones. Members considered these revised values and agreed that they should be approved without amendment.

The Governing Body resolved to note the Principal's Report, and to approve the revised set of College Values.

08.79 College Annual Report

The Chair presented the College's proposed Annual Report for 2007/08 which was considered by members. Members acknowledged that it was a very good and positive document.

The Governing Body resolved to approve the College's Annual Report for 2007/08.

(Agenda item C1 had already been considered at the previous Governing Body meeting. It was noted that the next Health, Safety & Welfare Report would be presented to the Governing Body next term.)

08.80 2008/09 Learner Enrolments – Progress Report

The Deputy Principal Resources presented the report summarising the data on recruitment as at 1 December 2008. It was reported that the LSC hadn't yet issued the final software to enable the College to calculate its Standard Learner Numbers (SLNS) and so the figures had been produced using the College's own software. As a result, it was noted that the figures produced might not be totally accurate. Serious concern was expressed about the LSC's delay in providing the relevant software.

It was reported that with 16-18 Learners (excluding apprenticeships) the College was at 95.88% of its targeted year end position. The latest SLN forecast was 96.57% of target, and was being monitored closely.

With 16-18 Apprenticeships, it was reported that the College was currently 91 below target. Adult Responsiveness provision (excluding apprenticeships) was at 50.89% of the College's year end target and the College was now forecasting a year end position which was 15% below target. Employer Responsive 19+ Apprenticeships was currently 39 below target. In each case concerns were expressed by the Deputy Principal Resources about the College's ability to meet targets because of the current economic climate.

With Employer Responsive FE Workplace NVQs and Train to Gain, it was reported that the College was likely to achieve its targets. HE provision was above target, and International provision, as had been reported previously, continued to be below target.

The Deputy Principal Resources then outlined and the Governing Body discussed the actions being undertaken by the College to try and address the areas of potential under-recruitment. It was noted however that the number of learners at the College had actually increased by 179 - it was the increased targets that had not actually been met. These were acknowledged to have been challenging. Discussion took place about learners being recruited from other education areas, and whether they were actually being prevented from enrolling at the College through the actions of those other local authorities. The Deputy Principal QA&S reported that this was an issue that would be raised with Cynthia Welbourne, North Yorkshire County Council's Director of Education, at a meeting in the new year.

The Governing Body resolved to note the report.

08.81 New College Strategy Group

Minutes of Meeting on 26 November 2008

This item was treated as confidential and a separate confidential minute produced.

08.82 Personnel Committee

Minutes of Meeting on 11 November 2008

The Chair of the Personnel Committee presented the minutes and confidential minutes of the meeting, which were noted by the Governing Body.

Reference was made to the UCU trade union's stated opposition to the College's Vision – to be an outstanding college. It was noted that the College was looking to work with the union to resolve this issue.

The Governing Body resolved to reinforce and restate its own support for, and endorsement of, the College's Vision.

Members also wished to support the declaration of disabilities by themselves as part of the College's equality and diversity drive. It was felt that this would be a good example to College staff who were also being asked to declare any disabilities that they might have.

Clerk

08.83 2007/08 College Self Assessment Report

The Chair introduced the College's Self Assessment Report (SAR) for 2007/08, and explained the process that had been followed. The Deputy Principal QA&S then presented the individual grades awarded for each of the College's curriculum areas; cross – college themes; service areas; and Every Child Matters, which were considered by members before they went on to consider the overall cross – College grades that were being proposed.

It was noted that the key changes to the SAR that were being proposed when compared to Ofsted's judgements in the College's January 2008 inspection were as follows:

With Every Child Matters, four areas had improved and one had stayed the same.

With curriculum areas, four had improved, one had gone down and the remainder had stayed the same.

With cross – college themes, one had improved and the remainder had stayed the same.

With service areas, one had improved and the remainder had stayed the same.

All of the overall cross – college grades had remained the same. The overall effectiveness of the College had been graded 2 (“good”).

Discussion took place about a number of the grades awarded for specific areas and the justification behind these. A number of minor amendments to the text of the SAR were also put forward.

Discussion then took place about the measures required to bring about improvements for the College to improve to a grade 1 (“outstanding”) college.

Members then went on to consider the proposed Improvement Plan for 2008/09 together with targets. It was explained that if the College achieved all of these proposed targets, it would be in the top 10% of all FE colleges even allowing for anticipated improvements in the sector generally.

The Governing Body resolved to approve the College’s Self Assessment Report 2007/08, together with the Quality Improvement Plan for 2008/09.

08.84 Progress on Strategic Plan 2008/11

The Deputy Principal QA&S presented the report. It was reported that a very wide range of activities and actions had been taken in respect of achieving the targets identified in the Strategic Plan. Much emphasis had been placed on marketing activities (the impact of which would only be seen when applications and subsequently enrolments came through) and Teaching & Learning (the impact of which would only be seen as OTL results, student satisfaction survey outcomes and External Verifier reports came through). It was reported that at this stage progress was deemed to be very good.

The Governing Body resolved to note the report.

08.85 Equality & Diversity Annual Report 2007/08

The Deputy Principal QA&S presented the report which identified three year staff and student profiles relating to age, gender, ethnicity and disability; developments with the College’s Single Equality

Scheme; embedding of equality and diversity in to the College's core curriculum; and projects with local and regional partners.

It was noted that there had been a significant improvement in the gender balance of learners. It was also noted that there had been a significant increase in the number of female staff employed by the College, and the reasons behind this were currently being looked at.

The Governing Body resolved to approve the Equality & Diversity Annual Report 2007/08.

08.86 Freedom of Information – New Model Publication Scheme

The Deputy Principal QA&S presented the report which listed the thirteen Freedom of Information requests that had been received by the College during 2008. Members also considered the new Model Publication Scheme for FE Colleges, which it was proposed should be adopted without amendment with effect from 1 January 2009.

The Governing Body resolved to note the report and to approve the adoption (without any amendments) of the Model Publication Scheme for Colleges of Further Education from 1 January 2009.

(It was agreed to take agenda item D6 out of order.)

08.87 Quality & Curriculum Committee

Minutes of Meeting on 10 November 2008

The Chair of the Quality & Curriculum Committee presented the minutes of the meeting, which were noted by the Governing Body.

08.88 Value Added Report 2007/08

(Carol Runciman left the meeting at 6.30 pm.)

This item was treated as confidential and a separate confidential minute produced.

(Louise Lawrence-Crockford left the meeting at 6.35 pm.)

08.89 Student Union President's Report

The Student Union President presented the report on the recent elections to the Student Union Executive; activities associated with "Children in Need"; and the Student Union's new "Office Protocol". It was noted that work was in hand in relation to producing a Student Union strategic plan.

The Governing Body resolved to note the report.

(Kevin Deadman left the meeting at 6.40 pm.)

08.90 Finance & General Purposes Committee

a) Analysis of the 2007/08 Financial Performance

The Director of Finance presented the report providing different analyses of the College's financial performance in 2007-08, intended to assist Governors to interpret the financial information provided in the College's 2007/08 Financial Statements.

It was reported that the indicators confirmed that the College had achieved its financial objectives for 2007/08 and had been compliant with the financial covenants associated with the College's loan with Lloyds TSB.

The College's financial performance had also been broadly consistent with that forecast in the New College Project Final Capital Bid. Any variances were not considered to be significant.

The Governing Body resolved to note the report.

b) 2008/09 Year End Financial Forecast

This item was treated as confidential and a separate confidential minute produced.

c) 2008/09 Financial Objectives Progress Report

This item was treated as confidential and a separate confidential minute produced.

d) College Staff Pay Award 2008/09

This item was treated as confidential and a separate confidential minute produced.

e) LSC Financial Health Confirmation

This item was treated as confidential and a separate confidential minute produced.

f) Minutes of Meeting on 20 November 2008

The Chair of the Finance and General Purposes Committee presented the minutes and confidential minutes of the meeting, which were noted by the Governing Body.

08.91 Audit Committee

a) 2007/08 Financial Statements Audit Management Letter

The Director of Finance presented the 2007/08 Management Letter and explained that the College's financial statements auditors (KPMG) had said this was a very good report with a limited number of observations and that KPMG anticipated issuing an "unqualified" opinion in respect of both the financial statements and the regularity audit.

Members considered the differences identified during the course of the audit for which the financial statements had been adjusted. It

was noted that these adjustments only affected the balance sheet of the College and had no impact on its result for the year. None were considered to have an impact on the understanding of the financial statements or the financial performance of the College, and as such were not deemed either material or significant.

It was noted that the Finance & General Purposes Committee and Audit Committee had already considered the Management Letter with approval.

The Governing Body resolved to approve the 2007/08 Financial Statements Audit Management Letter.

b) 2007/08 Annual Internal Audit Report

The Director of Finance presented the 2007/08 Internal Audit Annual Report which was considered by members. It was noted that the internal auditors' opinion for the twelve months ended 31 July 2008 was that the College had "adequate and effective risk management processes, control processes and governance processes to manage the achievement of the organisation's objectives." It was explained that reviews had been carried out in a number of business areas. The opinions on the level of assurance were noted. One was "good", three were "substantial" and three were "adequate". The opinions on the level of operational assurance were "good" in six areas and "adequate" in one area. The Chair of the Committee explained his view that the assessment of "adequate" for this one area was particularly harsh.

The Governing Body resolved to approve the 2007/08 Annual Internal Audit Report.

c) 2007/08 Audit Committee Annual Report

The Chair of the Audit Committee presented the Audit Committee Annual Report 2007/08 which was considered by members. It was noted that the Audit Committee had recommended the Governing Body to approve the report.

The Governing Body resolved to approve the 2007/08 Audit Committee Annual Report.

d) 2007/08 Financial Management and Control Evaluation

The Director of Finance presented the report with an extract of the key parts of the College's 2007-08 Financial Management and Control Evaluation (FMCE) return. It was explained that this was a document required by the LSC under Framework for Excellence. The full document had been reviewed and approved by the Audit Committee at its meeting on 2 December 2008, in line with the delegation approved at the Governing Body meeting on 15 October 2008. The College's signed and approved FMCE return had been returned to the LSC on 10 December 2008.

The Governing Body resolved to note the report on the College's Financial Management and Control Evaluation 2007/08.

e) Minutes of Meeting on 2 December 2008

The Chair of the Audit Committee presented the minutes of the meeting, which were noted by the Governing Body.

08.92 Pure Business Solutions Limited

a) 2007/08 Financial Statements

The Director of Finance presented the report on the 2007/08 Financial Statements for Pure Business Solutions, the College's wholly-owned subsidiary company. It was explained that these financial statements had been approved by the PBS Limited Board of Directors at the Company's AGM on 20 November 2008.

The Governing Body resolved to note the report on the 2007/08 Financial Statements for Pure Business Solutions Limited.

b) Development Update

The Director of Finance presented the report with an update on development work on the future structure and purpose of Pure Business Solutions Limited.

It was reported that this had been necessitated by the Governing Body's decision to establish an Employment and Skills Committee, which had responsibilities and objectives that potentially overlapped with those of Pure Business Solutions Limited.

It was intended that any recommendations for change would be made to the Governing Body meeting on 26 March 2009. This would be after consideration of the options at the Employment and Skills Committee and Pure Business Solutions Board meeting on 22 January 2009.

The Governing Body resolved to note the report.

08.93 Risk Management

a) 2007/08 Risk Management Annual Report

The Director of Finance presented the report providing a summary of risk management activity during the 2007/08 financial year together with conclusions made to inform the Governing Body's decision to approve the statement of corporate governance and internal control within the College's 2007/08 Financial Statements. It was explained that the Audit Committee had considered the report at its meeting on 2 December 2008 and recommended the Governing Body to approve it.

The Governing Body resolved to approve the 2007/08 Risk Management Annual Report.

08.94 2007/08 Financial Statements

a) 2007/08 Members' Report and Financial Statements

The Director of Finance presented the report describing the College's financial performance in 2007/08, including the results of Pure Business Solutions Limited.

It was noted that for the period to 31 July 2008, the College generated an operating deficit of £1,296,000. This was after one-off revenue expenditure of £1,860,000 associated with the College's property and information strategies. If this expenditure were excluded, the College would have achieved an underlying operating surplus of £564,000.

The Governing Body resolved to approve the College's 2007/08 Members' Report and Financial Statements.

b) Letter of Representation to the Auditors

The Director of Finance explained that the College was required to provide the financial statements auditors with a letter of representation before the auditors' report could be finalised. The purpose of the letter was to provide reassurance to the financial statements auditor on a number of material accounting issues. It was noted that the letter proposed was in the standard format.

The Governing Body resolved to approve the Letter of Representation to the College's Financial Statements Auditors, and to authorise the Chair to sign it on behalf of the Governing Body.

Chair

c) Re-appointment of Financial Statements and Regularity Auditors

The Director of Finance presented the report with a summary of the conclusions of the Audit Committee's review of KPMG's performance as the College's financial statements and regularity auditors in 2007/08.

The Governing Body resolved to approve the re-appointment of KPMG as the College's financial statements and regularity auditors for 2008/09.

08.95 Governance Issues

a) Governance Self Assessment 2007/08 and 2008/09 Governance Improvement Plan

The Chair of the Self Assessment Working Group explained the process that had been followed to date in relation to governance self assessment for 2007/08. Members then considered the Governance Strengths and Weaknesses that had been recommended for approval by the Search & Governance Committee and the Committee Chairs' Self Assessment Group. A number of minor revisions were agreed. Members then considered the proposed Governance Improvement Plan for 2008/09 and, again, a number of

Clerk

minor amendments were agreed.

Clerk

The Governing Body resolved to approve the Governance Strengths and Weaknesses for 2007/08, together with the Governance Improvement Plan for 2008/09, subject to inclusion of the agreed amendments.

b) Search & Governance Committee: Minutes of Meeting on 10 November 2008

The Chair of the Search & Governance Committee presented the minutes of the meeting, which were noted by the Governing Body, paying particular attention to the specific recommendations for approval.

The Governing Body resolved to:

- a) **re-appoint Peter Burrows as a Governor for a second term of four years;**
- b) **re-appoint David King as a Co-opted Member of the Audit Committee for a second term of three years;**
- c) **appoint Sarah Ashton as a Co-opted Member of the Audit Committee for a term of three years;**
- d) **endorse the exercise of Chair's Action and the appointment of Andy Mendus as a member of the Audit Committee;**
- e) **appoint Bill Woolley as a member of the Employer & Skills Committee; and**
- f) **appoint Andrew Lindsay as a member of the Quality & Curriculum Committee.**

08.96 Any Other Business

The Chair explained that David Jackson's current term of office as Staff Governor was due to expire later in December and that nominations would soon be sought for members of staff interested in standing as Staff Governor. The Chair thanked Mr Jackson for his contribution as Staff Governor.

Clerk

Discussion took place about the current position with Educational Maintenance Allowances (EMAs), and the processes put in place by the College to try and manage the current problems.

08.97 Date of Next Meeting

Thursday 26 March 2009 at 5.00pm.

The Chair wished everyone a Merry Christmas, and the meeting closed at 7.45pm.

Richard Hinde
Clerk to the Governing Body

Signed (Chair):

Name

Date: